



Patrick W. Henning, Director

May 15, 2008
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Arnold Schwarzenegger
Governor

Mr. John S. Lehn, Director
Kings County Job Training Office
124 North Irwin Street
Hanford, CA 93230

Dear Mr. Lehn:

WORKFORCE INVESTMENT ACT
FISCAL AND PROCUREMENT REVIEW
FINAL MONITORING REPORT
PROGRAM YEAR 2006-07

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Kings County Job Training Office's (KCJTO) Workforce Investment Act (WIA) grant financial management and procurement systems. This review was conducted by Mr. Dave Ajirogi and Mr. Jim Tremblay from April 28, 2008, through May 1, 2008. For the fiscal portion of the review, we focused on the following areas: fiscal policies and procedures, accounting system, reporting, program income, expenditures, internal control, allowable costs, cash management, cost allocation, indirect costs, cost/resource sharing, fiscal monitoring of subrecipients, single audit and audit resolution policies and procedures for its subrecipients and written internal management procedures. For the procurement portion of the review, we examined procurement policies and procedures, methods of procurement, procurement competition and selection of service providers, cost and price analyses, contract terms and agreements, and property management.

Our review was conducted under the authority of Section 667.410(b)(1), (2) & (3) of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by KCJTO with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding financial management and procurement for PY 2007-08.

We collected the information for this report through interviews with representatives of KCJTO, a review of applicable policies and procedures, and a review of documentation retained by KCJTO for a sample of expenditures and procurements for PY 2007-08.

BACKGROUND

The KCJTO was awarded WIA funds to operate a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2007-08, KCJTO was allocated: \$764,667 to serve 201 adult participants; \$808,512 to serve 195 youth participants; and \$563,222 to serve 123 dislocated worker participants.

For the quarter ending March 31, 2008, KCJTO reported the following expenditures and enrollments for its WIA programs: \$637,855 to serve 169 adult participants; \$808,512 to serve 141 youth participants; and \$512,738 to serve 57 dislocated worker participants.

FISCAL REVIEW RESULTS

We conclude that, overall, KCJTO is meeting applicable WIA requirements concerning financial management.

PROCUREMENT REVIEW RESULTS

We conclude that, overall, KCJTO is meeting applicable WIA requirements concerning procurement.

This report contains no findings or concerns; therefore, we are issuing this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is KCJTO's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Consequently, any deficiencies identified in subsequent reviews, such as an audit, would remain KCJTO's responsibility.

Mr. John S. Lehn

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May 15, 2008

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. Dave Ajirogi at (916) 657-4591.

Sincerely,

A handwritten signature in black ink, appearing to read "Jessie Mar". The signature is fluid and cursive, with the first name "Jessie" written in a larger, more prominent script than the last name "Mar".

JESSIE MAR, Chief
Compliance Monitoring Section
Compliance Review Division

cc: Shelly Green, MIC 45
Jose Luis Marquez, MIC 50
Don Migge, MIC 50
Lydia Rios, MIC 50